CHAPTER 1
INTRODUCTION

Entrepreneurship in recent times has become an important area of study. It is considered to be a solution for creating wealth, generating employment and providing new and better goods and services. Developing the spirit of entrepreneurship among the young has become vital because the government cannot provide jobs for all kinds of unemployed youth and the corporate sector will provide limited jobs only to the best and that too without any job security. Entrepreneurship is simply finding new opportunities to do things better and then seizing the opportunity. With changes like globalization, deregulation, open competition and technological change taking place, our society is becoming an entrepreneurial society. In an entrepreneurial society, individuals face a tremendous challenge.

An entrepreneur is one who innovates and initiates something new. But this may not always be true, practically in less developed or developing countries, where an entrepreneur is often an imitator. Jeremy Boissevain (1997) in his article “Small European Entrepreneurs” mentioned that Entrepreneurs are those who manage enterprise for the pursuit of profit, in the course of which they innovate. And successful entrepreneurs are usually regarded as having self-confidence, achievement orientation, perseverance and resourcefulness. They must be willing to accept risk, to work hard and to save. They must also possess the ability to network – that is, to maintain and cultivate a range of useful contacts.

Sometimes, entrepreneurship has been considered as a quality which can be acquired by an individual and is a function of various factors like psychological, socio-cultural, economic etc. It is evident from the studies conducted by Schumpeter (1961), McClelland (1961), Pareek(1967), Nandi(1973), Rao et al (1975), Akhauri (1977, 1978), Cantillian (1955), Lucy Mair (1984), Adam Smith (1984), Geertz (1967), Firth (1967), Barth (1960), Singer (1967), Epstein (1964), Nafziger (1975), and others that these factors play a key role in the development of entrepreneurship.
Entrepreneurship Development at Manipur

Manipur is situated in the extreme corner of North-eastern India. It has two distinct areas of hills and valleys. The area of plains or valley is located in the centre of Manipur surrounded by hills. Manipur is industrially very backward in the context of the backward N.E. regions of India with a per capita income far below the All India average. In addition to these, there are not enough industries to keep pace with the rapid growth of population and to deal with the growing problems of unemployment, poverty, lack of housing, medical care, etc.

However, there are two kinds of small industrial units in Manipur viz. SIDO (Small Industries Development Organization) and non-SIDO. In the SIDO group, there are small services establishments (SSE) unit such as colour photography, x-ray, xeroxing, automobile workshop, etc. But the non-SIDO units are those not in the reserved items such as knitting, embroidery, blacksmith work, carpentry and handicraft items, etc. For these, the DIC (District Industries Centre) provided all services and facilities to entrepreneurs at one place so that they may set up small and village industries. These services and facilities includes identification of a suitable scheme, the preparation of feasibility reports, arrangement for the supply of machinery and equipment, provision of raw materials, credit facilities and input for marketing and extension services, quality control, research and entrepreneurial training, etc. And all DICs give various kinds of training programmes to the entrepreneurs without which industries that are bound to play an active role in the growth process. Entrepreneurial motivation and training are the most important factors that help accelerate the pace of industrial development by inducing people to undertake risk-bearing activities.

In Manipur, the main objective of conducting this Entrepreneurship Development Programme (EDP) is to motivate young and promising entrepreneurs for self-employment after the successful completion of their training. The trained entrepreneurs are provided with different incentives/facilities by the state government to assist them in the developmental process. However, there is a lack of awareness among the educated youth about entrepreneurship
opportunities. The socio-psychological attitude towards entrepreneurship has also been a hindrance to entrepreneurial development. There is not much coordination among organizations and institutions like District Industries Centers, Industrial Consultants, Small Industries service Institutes, National Small Industries Cooperation, All Manipur Entrepreneurs Union, banks and financial institution which are involved in entrepreneurship development in the region to ensure a better impact of programmes. The Prime Minister Rozgar Yojana (PMRY) that has already been implemented in the state may be linked with EDP to achieve greater success in promoting first generation entrepreneurs in the hill region as well.

**Problems/Constraints of Entrepreneurship Development**

It must be recalled that continued dependence on agriculture is a living testimony to the primary character of the rural economy of Kakching. Modernization of life and tempo of living may be duly enriched through a sound process of industrialization. However, the economy of Manipur is largely influenced by the imperatives of the fundamental backwardness i.e., the handicaps imposed by the geo-physical location. It has also possible departure from the national strategy for development. Special programme of action are undertaken for the backward sector of the economy.

However, it is not a surprise that the small scale units in Manipur experience the disadvantages of shortage of power supply as a result of reported gap of 36 per cent between demand for and supply of power in Manipur. The market-interaction can hardly pick up. And the Foreign Direct Investment in Manipur is nil. Thus on the whole, the performance in the industrial sector demands the critical examination in the right perspective. Besides these, the market of the small scale and tiny products depend only on the local buyers whose preference is undergoing a change in the wake of a new trend of expansion of economic activities beyond national and state boundaries. The new temptations to buy competitive goods are considerably fostered by the performance of the Indo-Myanmar-Border Trade.
Needs of Entrepreneurial Development Programmes

Entrepreneurial development programme (EDP) is an effective human resource development programme. This helps in removing unemployment, promotion of small-scale units, development of industrial regions, overall economic development programme etc. Entrepreneurship development programme is more necessary in the case of first generation entrepreneurs. They may not become successful unless a proper training is received. So, they need a continuous process of motivation. However, motivation is not an inherited but a personal quality. Through formal education, knowledge can be acquired. Entrepreneurs can solve many of their problems provided proper training is given to them. But, by joining in an entrepreneurial development programme, one cannot solve all these problems. It only gives confidence to the entrepreneurs and make them to face and solve variety of problems. Entrepreneurial development is a systematic and organized effort. It becomes catalyst for developing industry and economic programmes. It is believed that through EDP, an individual can be developed, his outlook can be changed and his ideas can be converted into action.

Besides these, increasing unemployment is the chronic problem of most of the developing countries. EDP’s can help the unemployed people to opt for self-employment and entrepreneurial careers. Several programmes such as National Rural Employment Programmes (NREP), Integrated Rural Development Programmes (IRDP), PMRY, DIC etc. are in operation in India. All these special schemes intend to eliminate the poverty and solve the problem of unemployment. Entrepreneurial development programmes have become imperative for exploiting vast untapped human skills and to channelize them into accelerating industrialization. Entrepreneurial development programmes are responsible for emerging entrepreneurial opportunities in various fields like electronic, handloom, food technology, packaging, carpentry work, motor cycle and lorry work shops, etc.

Several institutions are engaged in conducting entrepreneurship development programme in India. Government of India at an early stage realized
the importance of promoting new ventures particularly small-scale industries as a means of employment generation. Small Industries Development Organization was set up at the apex level to provide technical inputs and guidance to small industries. Khadi and Village Industries Commission were established to promote village industries. In 1984, Government of India set up National Institute of Entrepreneurship and small business. At the same time, IDBI and other financial institutes set up Entrepreneurial Development Institutes of India (EDI). With the same objective NIESBUD and EDI have been conducting researches in entrepreneurship development programmes and imparting training to entrepreneurs. Other organizations, like State Bank of India (SBI), Entrepreneurial Motivation Training Centre in North-Eastern Region, Small Industries Extension Training Institute etc. are imparting training to entrepreneurs in India.

Above all, the state and the central level promotional agencies have announced a series of fiscal and non-fiscal incentives, concessions and facilities for attracting new entrepreneurs to set up tiny, small, medium and ancillary industries in their region.

**Entrepreneurship and Economic Development**

Entrepreneurs play a role in the field of economic development. According to economists, entrepreneurship and economic growth will take place in those situations where particular economic conditions are most favorable. Economic historians have classified economic system into different stages. They claim that every society passes through different stages in the course of development. Adam Smith (1949) used the sequence of hunting, gathering, pastoral, agricultural, commerce and manufacturing. Marx (1844) classified economic history into the stage of Feudalism, Capitalism and Socialism each respectively representing Thesis, Antithesis and Synthesis. The most systematic definition of economic development was given by Schumpeter (1967) who places the innovation in the center of the whole process of economic development. The
entrepreneur locates ideas and put them into effect in the process of economic development.

**Entrepreneurship development - why social and cultural capital is important?**

Social capital and cultural capital have influence on the development of entrepreneurship. These factors of social organization facilitates co-ordination and cooperation especially values and norms of reciprocity influencing in one’s social networks. Social capital explains the importance of using social connections and social relations in achieving goals. Social capital, or resources accessed through such connections and relations, is critical (along with human capital, or what a person or organization actually possesses) in achieving goals for individuals, social groups, organizations, and communities. The term social capital is a way of conceptualizing the intangible resources of community, shared values and trust upon which we draw in daily life. It also refers to the norms and networks that enable collective action. It encompasses institutions, relationships, and customs that shape the quality and quantity of a society’s social interactions. Increasing evidence shows that social capital is critical for societies to prosper economically and for development to be sustainable. Social capital, when enhanced in a positive manner, can improve effectiveness and sustainability by building the community's capacity to work together to address their common needs, fostering greater inclusion and cohesion, and increasing transparency and accountability.

However, cultural capital acts as a social relation within a system of exchange that includes the accumulated cultural knowledge that confers power and status. Cultural capital are forms of knowledge, skills, education, any advantages a person has which give them higher status in society, including high expectations. Parents provide children with cultural capital, the attitudes and knowledge that make the educational system a comfortable familiar place in which they can succeed easily. Cultural capital is embodied in the individual. It is both the inherited and acquired properties. Inherited not in the genetic sense, but
more in the sense of time, cultural, and traditions bestow elements of the embodied state to another usually by the family through socialization as a way of thinking. It is not transmitted instantaneously like a gift from parents or other members of the community.

Moreover, social institutions are the building blocks of development. These institutions i.e. traditional and modern, at the community, local, regional and national levels and in the public and private sectors are the vehicles through which social change and social action occur. Social capital is the network of horizontal connections which leads to mutual commitment and trust and enables people and their institutions to function effectively. To be successful, development needs to both strengthen institutions and enhance the social capital on which they depend. And social capital is based on group membership, relationships, networks of influence and support.

As according to Bourdieu (1983), Social capital is the aggregate of the actual or potential resources which are linked to possession of a durable network of more or less institutionalized relationships of mutual acquaintance and recognition. The central idea is that 'social networks are a valuable asset'. Interaction enables people to build communities, to commit themselves to each other, and to knit the social fabric. It brings a sense of belonging and the concrete experience of social networks and the relationships of trust and tolerance that can be involved. It becomes trust between strangers and trust of a broad fabric of social institutions. Ultimately, it becomes a shared set of values, virtues, and expectations within society as a whole. Without this interaction, on the other hand, trust decays. At certain points, this decay begins to manifest itself in serious social problems. The concept of social capital contends that building or rebuilding community and trust requires face-to-face encounters.

In order to apply the concept of social capital at a practical and operational level, it can be broken down into five key dimensions: 1) Groups and networks - collections of individuals that promote and protect personal relationships which improve welfare; 2) Trust and Solidarity – elements of interpersonal behavior which fosters greater cohesion and more robust collective action; 3) Collective
Action and Cooperation - ability of people to work together toward resolving communal issues; 4) Social Cohesion and Inclusion - mitigates the risk of conflict and promotes equitable access to benefits of development by enhancing participation of the marginalized; and 5) Information and Communication - breaks down negative social capital and also enables positive social capital by improving access to information. These dimensions capture both the structural and cognitive forms of social capital.

Entrepreneurship and Social Change

Social change is a continual process wherein the structure of society undergoes transformation under endogenous and exogenous pressure. Modernization is a process of change of a particular type, which is attributed to the growth and institutionalization of new roles and group structures based on concomitant norms of modernization. Marx (1904) in his interpretation of historical materialism not only expresses the history of class struggle, but beyond that formulates a theoretical framework, in which he describes how the mode of production determines the relations of production which ultimately determines the pattern of social relationship. Others who have studied the causal factors of social change are Veblen (1922), Ogburn (1964) who emphasized the crucial role of technology in the process of social change, as technological development is both the cause and effect of industrialization and occurrence of changes.

Besides these, Entrepreneurship is an important ingredient of socio-economic development and the dynamic entrepreneurs are considered to be the agent of change in the society. Growth and development of industries, therefore depends on the supply of right type of entrepreneurs with respect to the existing socio-economic and cultural environment. However, due to the low achievement motivation, passivity to the environment, lack of command over resources and lack of financing support, there is short supply of entrepreneurs in the backward areas especially in North-eastern states of India.

From this point of view, for the development of entrepreneurship, it requires to infuse achievement motivation to break the passivity among the
common people through favourable social atmosphere. In addition to these, the lack of financial resources by the majority of population due to lower per capita income is the important ingredient among the problem of entrepreneurship development.

**Entrepreneurship and Technology**

The science of man’s origin and the development of his culture, known as “cultural diffusion”, which associated with different methods of economic, political, religious or social organization. Occasionally, a particularly fortunate combination of interest, leaders or methods of organizing different activities leads to technological revolutions. It ultimately leads to technical invention of very economic value. People see the advantage of the new techniques and adopt them when they first learn about them. However, the kind of technological adaptation has a series of barrier to change like psychological, social and cultural barrier of changes. As cited as an example, countries like China knew about many of the technical developments in the west for centuries yet were not eager to adopt them until the present century. According to Adam Smith (1977), the more remarkable is the experience of Middle Eastern countries, which are closer to the west. During the entire period when the west was developing technologically and economically at a rapid rate, very few Western methods or techniques managed to “diffuse” by trade into the Middle East. In contrast, Japan adopted Western technological advances at a very rapid rate once it came in contact with western ideas.

However in India, technological adoption is a continuous phenomena and it is in an accelerating rate with each passing years. The rural entrepreneurs are increasingly in touch with urban centre through radio, television, relatives who have migrated to cities, and improved education in their own villages. With perceived opportunities and supportive condition, they make realization of success in their entrepreneurial activities though the adoption of new technology. According to Scottish economist Adam Smith (1723-1790), the invention of better machines and equipment was responsible for the greater increase in productivity
and material welfare. Dozens of technological improvements, such as the wire cable for mines, and the improved techniques for refining iron which made railroads possible made production more efficient and increased profits. These profits could be reinvested in the business, leading to more technical improvements and further increases in productivity. But, economists also stressed the importance of technological development in the late 19th century when its effects could be seen even more clearly. The German political philosopher, Karl Marx (1818-1883) stressed the importance of technology as a determining force in history. Technology, Marx claimed, would hastened the class struggle, because the Capitalists would install machinery were replacing workers and forcing them to live on lower wages. Thus, the workers would eventually attempt to protect themselves by seizing power.

The role of entrepreneur made the key force in economic development. Schumpeter (1883-1950) believed that an economy did not grow “naturally” or even steadily, but rather was pushed forward in sudden bursts of activity by key men, who wanted to promote new goods and new methods of production, or to exploit a new source of material or a new market. Due to such improvement in technology, there is division of labour or the specialization of productive function that leads to

1) an increase in skills among workers.
2) a reduction in the time necessary to produce commodities
3) the inventions of better machines and equipment.

Entrepreneurship and Organizational Behaviour

Entrepreneurship and Organizational behaviour are complementary terms in the development of entrepreneurship. Organizations have been in existence, since the dawn of civilization, but modern organizations differs from the earlier ones in several respects. Modern organizations are large in size and complex in nature and meet a great variety of individual and social needs. The number of organizations has also increased tremendously. They are engaged in such a diversity of tasks that organizations in the past were generally small in size,
whereas modern organizations are entities of scale. In the earlier organizations, direct contact between the employer and the employees were possible. But the modern organizations, on the other hand, have too many levels to permit such contacts. As modern organization involves huge investment and complicated technology, their management and operation is a complex affair. Every level needs assistance from diverse specialist. Working harmoniously, co-operatively and productively for the mutual benefits of all is not an easy task in the midst of such circumstances. This is in contrast to organizations in the past, most of which were simple in nature, using simple techniques of functioning. Elaborate rules and regulations were not needed for their governance.

Also the entrepreneurial activities represent the interests of all participants such as, suppliers, shareholders, managers, workers, customers, etc. in a business organization. There is a system of working in all organizations. Organizations have built up hierarchical levels, a chain of command, rule and procedures, communication networks etc. This ensures that the superiors know what is expected of the subordinates and the subordinates know what is expected of them so that they do not make unnecessary demands upon each other. Like wise, further division of work take place and each individual performs a job he is specialized in. Thus, task specialization and hierarchical levels lead to differentiation. Each of these functional parts of an organization deals with a different part of the environment and develops a cognitive point of view that reflects its adaptation to that part of the environment.

In accordance with recent development of the study on entrepreneurship development, it needs to give emphasis on human behaviour and social relations. This creates a context within which trust and cooperation can be developed among the entrepreneurs to enhance entrepreneurial activities. As according to Cle Lesger (1997), society becomes more complex and the conduct of entrepreneurs is embedded within a network of social relations. Within this network, there is distinction between relations with parties that are directly involved in the transaction of their entrepreneurial activities. Therefore, stable
relations with suppliers and customers comes the main entrepreneurial strategy and the backbone of their firm.

In addition to this, each and every entrepreneur participated in a number of overlapping network of social relations. These overlapping networks of social relations may be regarded as a self-regulating mechanism in which rewards and sanctions promoted or discouraged certain types of entrepreneurial behaviour. So, trust and reputation are the key notions in regard to social networks. A good reputation is also indispensable in the creation of social capital. Social capital becomes an important aid in the acquisition of wealth, power and prestige. Moreover, social capital inclined towards opportunism and risk taking that enables the market economy to develop and survive. In long run socially accepted behaviour is probably also the best strategy to preserve social capital to enhance the entrepreneurial activities.

Review of the Literature

There have been several studies on entrepreneurship developments. It was Cantillian (1755) who coined the term “Entrepreneurship” in French. The term “Entrepreneur” was variously translated into English as “Merchant”, “Adventurer”, or “Employer”, though the precise meaning is “the undertaker of the project”. In the 16th Century the Frenchmen who undertook military expedition were also referred to as “Entrepreneur”. John Stuart Mill (1848) popularized the term in England. According to the Social Science Encyclopedia by Adam Kuper and Jessica Kuper (1985), the term “Entrepreneur” seems to have been introduced in economic theory. Economists, sociologists, psychologists and other social scientists have increasingly recognized entrepreneurship as a profession in recent time.

Different scholars studied the development of entrepreneurship from different perspectives. The review of the literature has been categorized thematically into different sections based on their nature of studies like historical aspect, economic aspect, social aspect, and cultural aspect etc.
Studies based on Historical Aspect

There are also many studies on development of entrepreneurship in India with the historical perspective. Such studies give a clear picture of how the early entrepreneurs set up their social networks for their business purpose. Dwijendra Tripathi (1984) in his edited book “Business Communities in India: A historical perspective” has highlighted development of entrepreneurship in Indian History. It also highlighted the various perspective of different scholars studying in different communities like Nurul Hasan’s (1979) study of Mughal period entrepreneurs in the 18th Century, Seth N.R’s (1979) study on Indian business communities, Ashin Gupta’s (1979) on Indian Merchants during the period 1500-1800 A.D., Sharma G.D’s (1979) on the Marwari communities, Grawal J.S (1979) on Business communities of Punjab etc.

Dwijendra Tripathi (1984) highlighted that ethnicity, language, religion and regional affiliation are the basic characteristic, which seems to have been used to divide businessmen into various categories giving the typical example of class character of the Gujarati business community. Sinha Dipendra (2003) in his article “The Rise of Entrepreneurship in India” gave a picture of the history of entrepreneurship in India. It also highlighted the bottlenecks of the development of entrepreneurship, future of entrepreneurship in India. In the article, he commented that Indians have never lacked the spirit of entrepreneurship.

Regarding male and female entrepreneurship, there is a myth that entrepreneurship is a matter of inheritance, in-born quality, is a monopoly of few sections of population and is internalized before an entrepreneur is born. Unlike men, women are equally endowed with psychological qualities and managerial abilities that are essential for successful entrepreneurship. It is also highlighted that through proper training, the entrepreneurial qualities can be acquired and developed in individuals.

Studies based on Economic Aspect

According to the economists, development of entrepreneurship is associated with economic growth. In the studies, various scholars like
Schumpeter (1934), Cantillian (1955), Colin Clark (1957), and Bishwanath Ghosh (1988), etc. have highlighted the different economic stages of economic development relating to the development of entrepreneurship.

According to the Schumpeter (1934), the entrepreneur is the prime mover in economic development, and his function is to “innovate”, or “carry out new combinations”. He distinguished five types of innovations 1) the introduction of new goods (or an improvement in the quality of an existing goods); 2) the introduction of a new method of production; 3) opening of a new market - in particular an export market in new territory; 4) the “conquest of a new source of supply of raw material or half manufactured goods”; 5) the creation of a new type of industrial organization – in particular the formation of a trust or some other type of monopoly. Moreover, Schumpeter emphasizes the role of the entrepreneur as a source of change.

In the view of Cantillian (1755), the entrepreneur as one who is generally not an owner of capital, i.e. not necessarily working with his own or borrowed capital. Later its meaning has undergone changes and others defined it according to the economic and social conditions prevailing in their societies. Bishwanath Ghosh (1988) in his book *Entrepreneurship in India* highlighted the role played by small-scale business entrepreneurship in the development of the country. He commented that most of the industrial and business activities start small and with market and opportunities and vision of the entrepreneur, it grows into a large industry. He also classified Indian entrepreneurs into various types like rural entrepreneurs, farm entrepreneurs, artisan entrepreneurs, merchant and trader entrepreneur, tribal entrepreneurs, and women entrepreneurs, etc.

C. Hari Narayana Rao and Dr. Ch. Uma Mohan (1988) mentioned in their article “Grass Root Entrepreneurship and Rural Industrialization” that the success of rural entrepreneurship depends not only on the drive and initiatives of the rural folk but also on the provision for adequate financial assistance, supply of raw material, machinery and equipment and the stupendous task of providing the marketing assistance. Plaschka and Welsh (1990) suggest that the development of entrepreneurship is the result of co-ordination of internal components (like,
individual characteristics of employees, financial resources and firm characteristic such as system of production, organization and marketing, etc.) and external components (like, government, taxes, laws, regulations and free trade policies, location infrastructure and the existence of enterprise zones, the availability of skilled labor forces, governmental loans and grants, etc.).

**Studies based on Social Aspect**

Different scholars also have carried out several works on the development of entrepreneurship from the socio-cultural aspects. They had formulated theories like Weber’s theory of protestant ethic (1958), McClelland’s theory of achieving society (1961), Cochran’s theory of cultural value and social structure (1971), etc. The studies discussed the influence of culture, social norms, values, etc. on the development of entrepreneurship in different societies. Max Weber (1958) pointed out the “resistance to change” and “the restriction of the caste system and highlighted the traditionalism of Indian entrepreneurs which was reinforced by the caste structure and Hindu religious values and other cultural factors. In fact, McClelland’s theory of “achieving societies” can be seen as a development of Weber’s Protestant ethic in which an intermediating psychological motive is introduced. However, this approach is strongly opposed by many prominent scholars like Berna’s (1960) study on the manufacturing enterprise in Madras and Coimbatore, M. Singer’s (1966) study on the successful business community in Madras city, Nafziger’s (1975) study on the higher caste entrepreneurs of Vishakhapatnam, etc. They found that the religious values and the caste system have no hindrance on the development of entrepreneurship.

Other studies like Levine (1985), Geertz (1963), Barth (1960), Schumpeter (1934), etc. shows that the actions of entrepreneurial activities has an effect on the social organization of the of the communities. Levine (1985) explored the nature of the relationship and social change on the entrepreneurial fishing community of New Zealand. And the earlier work of the economist Schumpeter (1934) stressed the entrepreneur’s role in changing and improving society through the creation of new combination of production factors. It is because the
mobilization of factors of production takes place in a socio-cultural milieu, wider questions concerning the condition of entrepreneurial activity and associated socio-cultural changes must be addressed.

The development of entrepreneurial activity directly or indirectly brings socio-economic changes in society. In fact, entrepreneurs are considered to be an agent of change by the scholars like Epstein (1964), Broehl (1978), Nash (1965), etc. Epstein’s (1964) study of the contrasting villages in South India describes social change in one village, which was primarily dependent upon the provision of irrigation to the neighboring village; entrepreneurial opportunities were exploited by relatively few individuals. Similarly, in *The Golden Road to Modernity*, Nash (1965) alludes to the concept in only a few sentences and appears to describe only on individuals who could be called an entrepreneur. Firth (1965) in his, *Themes in Economic Anthropology* suggested that anthropologists should study entrepreneurs more widely in primitive, peasant and industrial societies, even, in relation to the complex problems of business administration. And he feels that they should remain aware of the way in which “structural” and “institutional” differences may modify the meaning of the term. Wayne G. Broehl (1978) in his book *Village Entrepreneur: Change Agents in India’s Rural Development* commented that the entrepreneur is a highly respected word in the developed world. It conjures up visions of active, purposeful men and women accomplishing a wide variety of significant deeds. The entrepreneur is an important change agent in every society that bridges the gap between plan and reality. In fact, his study is among the private fertilizer distributors who enterprise as the wholesaler in the south Indian village in Karnataka.

Abner Cohen’s (1969) study on the Hausa businessmen who control the north-south trade both in meat and in kola nuts in Nigeria. It also examines the assertion that the Hausa leaders lack the innovative qualities of their Yoruba neighbors. The study of Marris and Somerset (1971), “African Businessmen” in Nairobi collected individual histories and found that they have a typical course,
but, except in so far as they were predominantly Kikuyu, they could not be described as coming from a particularly dis-esteemed group.

Raymond L. Owen (1976) in his article *The Anthropological Study of Entrepreneurship* gives a review of the general approaches of the anthropologists who have taken to the study of entrepreneurs and also some of the modification in the approach which may be necessary in both rural and urban setting. He comments on the effective theory of the economic growth that will appear only when the social process and the take-off approaches are joined in a simple framework analysis. He also commented that the study of entrepreneurs by anthropologists has been relatively confined to micro-scale studies of tribal and peasant societies in which other academic disciplines have had only a marginal interest.

Lucy Mair (1984) in her article “*Enterprise and Entrepreneur*” gave a description of an entrepreneur as an innovator or an individual who makes improvement in technique of some new method. She highlighted that entrepreneur has a role not only in the capitalist societies but also in the non-industrial societies. Hadimani R.N (1985) in his book *Dynamics of Industrial Entrepreneurship* presents in-depth analysis of the relationship of sociological factors like caste system, the form of religion and level of entrepreneurship etc. But Paranjape (1987) in his article “*Entrepreneurial Background and Performance*” highlighted that entrepreneurship is an area that has been very much neglected in academic studies in India. He also highlighted the relationship between entrepreneurial background and entrepreneurial performance. He also attempts to scrutinize an environmental factor, which affects a vigorous display of entrepreneurship.

Moreover, there are some other studies carried out in the backward and tribal areas Madhusudan Trivedi (1991) in his book *Entrepreneurship Among Tribals*, Pande G.S. (1998: 179-188) in his article “*Entrepreneurship Development Among the Disadvantaged and Tribals*”, Pande G.S. (1998) in his article “*Entrepreneurship Development Among the Disadvantaged and Tribals*” etc. shows that entrepreneurial studies in such areas needs to keep primary
importance to analyse the historical experience of the forest people in their existing socio-cultural and environmental setting. Madhusudan Trivedi (1991) in his book *Entrepreneurship among Tribals*, commented that the study of entrepreneurship among the tribal is a relatively neglected field of enquiry in social anthropology. He made an in-depth study of the experience of Bhils in their recently adopted entrepreneurial efforts and he also analysed the historical experiences of the forest people in their endeavour to earn a livelihood. Khanka (1994) in his study highlighted the long striving for achieving rapid and balanced regional development through entrepreneurship in the backward areas. It has been considered as an effective instrument in the programme for reducing inter- and intra-regional balance in economic development. Pande G.S. (1998) in his study highlights the drawbacks of the large-scale industries like Hindustan Aeronautics (Sunabeda), Sugar Factory, Ferro-silicon and J.K. Paper (around Raygada) that have not benefited the tribal. B.C. Mitchell (2004) in his article “Motivation of Entrepreneurs: A case study of South Africa” in the journal of entrepreneurship, examines the motivation of entrepreneurs in starting business in the socio-economic milieu of South Africa.

**Studies based on cultural aspect**

Various studies have been carried on religion and cultural values and its impact on the development of entrepreneurship. Many scholars like Singer’s (1966), Berger Brigitte (1992), Janet Landa (1992), Don Lavoj (1992), Jan I.J, and Stein K (2004), etc. highlighted that culture has a role to play in the development of the entrepreneur. Singer’s (1966) study of the nineteen very successful Indian industrialists in Madras highlights the relation of economic rationality to religious values, demonstrating religious ideas and rituals do not have to change much to accommodate economic rationality. His study calls into question such studies as that of Max Weber which attempts to predict the reception of economic rationality according to religious values.

The book explores the cultural dimensions of modern entrepreneurship that is closed to groups of people. It is also mentioned that any culture is available to any group at any time provided external conditions like social values, practices and norms permit and encourage new patterns of entrepreneurship. Don Lavoi (1992) in “The discovery and Interpretation of Profit Opportunities: Culture and Kirznerian Entrepreneurs” presents a sophisticated and systematic explanation of the creative process of discovery and interpretation that are integral to entrepreneurship. He argues that entrepreneurship necessarily takes place within culture, which is utterly shaped by culture, and is fundamental in interpreting and influencing culture.

Regarding the notion of the unsuitability of Indian tradition to industrial entrepreneurship was dwelt on in studies conducted on Indian businessmen in 1950s and 1960s (Berna 1960; Hazelhurst 1966; and Fox 1969 etc.) In this view, the cultural disposition and subsequent commercial orientation of Indian businessmen with a trading background was supposed to have turned the highly developed profit motivation of Indian entrepreneurs. But they were not towards productive investment of significant scope but towards consumption and less risky and more immediately profitable fields of economic activity. Partly basing himself on McCrory (1956), who carried out a study in 1950’s among owners of small industrial firms in north-Indian city, James Berna (1960) argued that the Indian entrepreneurs with background in trade are “Opportunistic business with very short time horizons”, interested only in fast turnover and quick profits, completely unconcerned with technology, unwilling to invest more than the bare minimum in fixed capital, and still preoccupied far more with trade than with industry. Richard Fox (1969), who studied Banias in another small north-Indian town, also argues that these businessmen were more willing to accept smaller profits as long as they covered essential expenses, rather than to invest more profitable long-term enterprises in which they risked losing their investment.

Barth, F. G., (1960), in his edited book, The role of the entrepreneur in social change in Northern Norway reports on a series of studies of entrepreneurship in contrasting ecological niches in sparsely settled North
Norway. According to Barth, the crucial features of entrepreneurship are largely a matter of degree and emphasis; that are: 1) the entrepreneur's more single minded concentration on the maximization of one type of value, “profit”. 2) the more experimental and speculative, less institutionalized character of the activity of the entrepreneur, who must act in terms of a deductive prognosis of results rather than as may the incumbents of institutionalized status, accumulated experience which give empirically founded expectation of results, 3) the entrepreneur’s greater willingness to take risks exemplified by his i) committing a greater part of his total assets to a single venture ii) putting trust in his own deductive reasoning as against common opinion, and iii) delighting in gambler’s odds where other actors might entertain a conservative, exaggerated fear of the risk of loss (1963: 7-8)

The study of the entrepreneurship by Clifford Greetz (1963: 1-27), of the two Indonesian towns, in his book Peddler and the Princes describes the term entrepreneurship in term of the adoption of new techniques. It helps to depict the situation in highly urbanized and industrialized environments, where anthropologists, economists and members of other disciplines are no longer aware of each other. He also equated “Development” with “Modernization”. In his study, he observes the Javanese town “Modjokuto” with the number of bazaar traders selling goods casually to customers and haggling over prices. There had always been many competitions with the Chinese people who started entrepreneurial work. A few of these adopted more western methods of trading, setting up shops, maintaining stocks, charging fixed prices. Most of them were members of the trade reformist “Masjumi Movement” which make rather orthodox religious virtue of the systematic and untiring pursuit of worldly ends. But in the Balinese town, Tabanan, the entrepreneurs were petty princes who had lost their political power after the withdrawal of the Dutch and the revolution that followed it.

Some of the studies explored the cultural embeddedness of ethic enterprises and the role of cultural values, attitude etc. for the development of entrepreneurial activities (Janet Landa 1992; Jan I.J, and Stein K 2004;
Muthayya B.C. and Loganathan 1990; Cle Lesger 1997, etc). In “Culture and Entrepreneurship in less Developed Societies: Ethnic Trading and Network as Economic Organisation”, an article by Janet Landa (1992) confirms the cultural embeddedness of ethnic enterprises. Sorting out the viability of various economic approaches for the continued success of ethnicity homogeneous middleman groups such as the Chinese in South East Asia, the Indians in East and Central Africa, the Lebanese in West Asia and the Jews in Medieval Europe. She demonstrated how cultural factors allow a particular group to succeed and reinforce the group homogeneity. Jan I.J, and Stein K (2004) in their article “Sub-Cultures and entrepreneurship: The value of Social capital in Tanzanian Business” attempt to argue how the sub-cultural characteristics affect the acquisition of entrepreneurial resources at a specific location and also to see how the same influence on the development of social capital. He used a case study methodology to study the entrepreneurs involved in the wood business in the coastal town of Tanga, Tanzania.

Muthayya B.C., (1990) and Loganathan (1990) highlighted the cultural and psychological factors influencing the entrepreneurship in rural areas. It is mentioned that most people in rural areas are engaged in the traditional occupations which are land-based and, therefore, had developed an orientation to think of their occupational life in term of interaction with land and whatever it can produce. Therefore, gradually an attempt has to be made to diversify large sections of the rural people who are guided by traditional culture in their occupational choices to occupations in the non-traditional areas like small scale, cottage and household industries, etc.

Cle Lesger (1997), in his article “The Visible Hand: Views on Entrepreneurs and Entrepreneurship in Holland, 1580-1850”, highlighted the performance of the Dutch economy. He also mentioned that it seems a miracle and a threat that such a small country i.e. the Dutch, was able to play a prominent role in the international economy and on the European political scene. He also made a distinction between formal and informal institutions. The difference between them is gradual. Informal institution comprises taboo,
common law and traditions but formal institutions comprise written law. As society becomes more complex, informal rules no longer suffice, they have to be increasingly backed up or even replaced by formal rules. So, informal and formal institutions are the only mechanisms for governing entrepreneurial behaviour. And the conduct of entrepreneurs is embedded within a network of social relations.

In fact, the innovation process is flexible and that there are alternative path of development. However, products and processes emerge in particular form, rather than others, primarily because of general political and economic choice (Veronica M 1987; Dave Elliott 1987; Kenneth Lancks 1991; etc.). Veronica in her study “Enterprising innovation: An alternative approach argues that the capability of governments to introduce new socially-oriented technologies, altering traditional lines of technological development, is often less restricted by object factors, such as competitiveness on international market than commonly assumed. Kenneth Lancks (1991) in the study “Training for small business creation (Lesson from experience) explored that in promotion and encouraging the use of new technology in the developing countries are not in a position to take risks or seek out information or alternative technologies. He suggested that such entrepreneurs need not be highly creative in technology, strategy or good operation practices. As example in small shops such as welding services, bicycles repair, shoe repair, retail clothing, etc. are imitative and, as has been shown in the franchising industry, can adopt formats similar to those successfully practiced elsewhere.

Mark Lazerson's (1997) article on “Entrepreneurship in Italy” highlighted that although, Italy has one of the largest economies in the west, it economy is still heavily based on family owned and operated firms. This is true for both small shops and huge Italian multinational corporations, such as the Fait Corporation, still under the control of the founding Agnelli family after nearly 100 years, and Pirelli and Benetton, both tightly controlled by their eponymous founding families. Above all, small entrepreneurs are also mainly depending upon networks of
friends and families for loans and to established firms with relatively small capital requirements.

Jeremy Boissevain (1997), in his article “Small European Entrepreneurs” explores some of the interrelations between small European entrepreneurs and their social and cultural contexts. It also examines some of the ways in which differences in cultural background influence the activities of entrepreneurs. He also mentioned that family affair is the most important characteristics of small enterprises. Huang Ping (1997) in his article “New Private Entrepreneurs in China: Family relations and social connections”, highlights that in Chinese society for centuries, social and personal connections are considered as crucial factors for developing entrepreneurship. But such family, kinship relations and personal relations were officially considered to be “Out of date” and were replaced by the “revolutionary” (professional) relations under the unit system. This paper argues that it is social networks, including both family and personal relations, which are the key to understanding the newly-emerged individual and private entrepreneurs.

Sameer Sharma (2004) in his article “Entrepreneurship development in Networks of weaver cluster of Pochampalli” explores the needs of networking among the weaving entrepreneurs of Pochampalli in Andhra Pradesh to help potential entrepreneurs-producers to overcome the constraints with size, promote technology development and develop their ability to compete in local and regional market.

Sang-Bok-Han (1997), in his article “Local Level Entrepreneurs in Rural Punggi, Korea: Economic behaviour and Lifestyle” have several case studies on rural entrepreneurship in Korea, but most of them have focused on the careers of successful individual entrepreneurs in sectors such as agriculture, fisheries and forestry. He analyzed the entrepreneurial career of fisherman who brought about social change in a southern Korean Island fishing village. This paper describes and analyses the characteristics of Korean rural entrepreneurs with regard to their economic behaviour and lifestyle. But, Soundarapandian, M (2001) gives an illustrative account for development of entrepreneurship. He highlights the
shortcoming of the State and Central government in developing the entrepreneurship as there is a wide disparity among the cities, state capitals and the district areas. Hence, it is felt necessary to establish required facilities to village and small industries under one roof.

**Observation from the review of literature**

From the above review of literature, the following observation can be made regarding the dynamic of entrepreneurship development:

1. The entrepreneurial spirit is not lacking among the people of the country, irrespective of their religion, caste, community and region, etc.
2. There is the overlapping social and cultural networking among the entrepreneurs for creating the entrepreneurial atmosphere which is influenced by social norms, values, customs, beliefs, ethos, etc. So, it becomes a self-regulating mechanism.
3. The entrepreneurship development strategy of the region should be placed on development of entrepreneurship among the people as human resource development that will ultimately resolve unemployment, economic problems, social problems and also bringing the widening of social network.
4. The entrepreneurial and managerial needs, the nature and extent of their support system, action programmes for entrepreneurship development in the backward region should be encouraged.
5. In developing entrepreneurial activities, the most important problems among the rural entrepreneurs are the accessibility of capital investment, supply of raw materials, marketing problems, etc.

Apart from the above factor, some of the factors that have been pointed out, few observations can be drawn from the studies of Manipur. Due to geophysical condition, the region has been facing many other problems like shortage of power, supply of raw material, improper marketing facilities, etc. Besides these, the state has different ethic groups who expertise in various traditional
occupations which contribute important part in entrepreneurship development. Such activities are also needed special attention for the research since traditional occupations are historically linked with socio-cultural habitation of the group.

**Theoretical Framework**

Studies on Indian entrepreneurship over the past few decades have employed different theoretical perspectives as India, being the second largest sub-continent in the world, has diverse socio-cultural factors that prevails the growth of entrepreneurial activities. Considering such multi-ethnic and multi-cultural communities, it needs for a new approach to study the entrepreneurship development in India. Mario Rutton (1994), in his article “The study of entrepreneurship in India: In need of a comparative perspective” highlighted the different perspectives in studying the Indian entrepreneurship i.e., cultural perspectives, structural perspectives and comparative perspectives (integrated perspective). He discussed cultural perspective as the dominant approach to the study of Indian entrepreneurship in the 1950’s and 1960’s. This approach was inspired by Max Weber’s (1976) Protestant ethic thesis and compatibility or incompatibility of Hindu religious values and other cultural factors with industrial entrepreneurship in India. And the structural perspective, dominant approach in 1970’s and 1980’s, which was mostly based on Marxist theories of Capitalist transformation that emphasized macroeconomic or political factors to explain the development of Indian Entrepreneurs.

Weber (1958) pointed out “resistance to change” and “the restriction of the caste system” and highlighted the traditionalism of Indian artisans, which was reinforced by the fact that caste structure was an obstacle to occupational mobility and socio-economic changes. Weber’s analysis of Hindu Society (1958), argued that the spirit of enterprise was inhibited among the indigenous population of India by the religious philosophy of resignation embodied in the doctrine of Karma and by the rigid social organization of the caste system and the joint family. According to this cultural perspective, these negative elements were viewed as important factor in explaining India’s retarded entrepreneurial
activities. Weber emphasized the traditionalism of Indian Artisans which, he thought, was reinforced by the fact that the Caste System was an obstacle to occupational mobility and socio-economic change. One of the best known views in this respect is that of D. McClelland (1961) who was inspired by Weber's notion that religion, norms and values, behaviour and economic life are all interconnected. He highlighted that achievement motivation is of critical importance to successful entrepreneurship which is more or less absent in the Indian entrepreneurs. However, such views are criticized by Scholars like M. Singer (1972), D. Tripathi (1992), etc. M. Singer challenged Weber's thesis by arguing that Hindu industrialist in Madras compartmentalize their religious lives and their business activities. He also argued that joint family organization play a positive role in industrial entrepreneurship.

However, the structural perspective is based mostly on theoretical views of Marxist persuasion, criticized the cultural approach, and the modernization theory for its lack of understanding of the exploitative relations between developing countries and the economically advanced countries, both at present and in a historic perspective. Ray (1992) commented that the decisive factor was not so much their cultural disposition or religious mentality, but their social network and the strategic positions they had carved out for themselves early on by virtue of acting as the collaborators of the Europeans in the Asian trade. So, the alleged failure of Indian entrepreneurship to engage in entrepreneurial activities was not explained by reference to their “traditional” orientation, but by reference to the colonial policy and the process of de-industrialization. And imperialism by very nature was exploitative and heavy yoke of British domination, with its mercantilist strategy of tariffs in India.

The present approach combines both the cultural and structural perspective by looking how political, economic and cultural processes interact within the historical process of capitalist development. Such a comparative analysis needs to take into account the wide diversity in form of business organization and development of entrepreneurship within and between the urban and rural areas. It should look for the condition that promote or inhibit the growth.
of entrepreneurship rather than a stereotypic study. While exerting certain pressure towards uniformity, the study may be able to account for both similarity and differences in entrepreneurial behaviour at various timings and places by interacting with local structure and cultures. In addition, it will bring more in-depth knowledge about entrepreneurs in different socio-cultural set-up of entrepreneurship.

Moreover, this theoretical approach to the study of entrepreneurship development is to look at the activities of individual entrepreneurs as an actor within a socio-economic and cultural system. It also tries to examine their contribution to social and economic life of their society and the changes through innovations of new technologies and organization of new social relationship in the society. Here, the primary importance for the study will also be the kind of socio-cultural and economic re-orientation through historical analysis that has been taking place when a social group or individual transforms itself into a class of business entrepreneurs from the so-called rural/urban life in Manipur.

The Key Research Questions for the Study

Considering the above discussion, the present study tries to attempt the following broad questions in order to make a comprehensive study of the social and cultural basis of entrepreneurship development, social relationship and organizational behaviour among the entrepreneurs in developing entrepreneurial activities, socio-cultural and technological changes resulting from the development of entrepreneurship, and the role and contributions of NGO’s, voluntary organizations, government agencies etc. Following are the key research questions:

- Are there any historical, chronological and religious antecedents to the development of entrepreneurship in the region? As a corollary, to what extent, cultural and religious associations are engaged in the development of entrepreneurship?
To what extent and in what ways, entrepreneurs are bound by social relationship while developing their entrepreneurial activities within and outside their communities?

How do the attitudes, interests, meanings and values influence the organizational behaviour pattern of the entrepreneurs in Manipur?

Why do they initiate this new venture? In other words, do these initiatives merely aim at searching for livelihood or mutual co-operation, belongingness, etc.?

What are the identifiable traits of the indigenous entrepreneurs and modern entrepreneurs?

What is the role of entrepreneurship development organizations? What are the major constraints which entrepreneurs face in developing entrepreneurial activities? How do they encounter and cope up with such kind of constraints?

Statement of the Problem

The study takes a balance view of cultural approach and structural approach. It tries to comprehend the dynamics of entrepreneurship development with a fresh approach that combines both the cultural and structural perspective by looking how political, economic, social and cultural processes interact with the historical process of entrepreneurship development in the study area. The earlier studies, carried out by Anthropologists and other social scientist among various communities, have constantly pointed out various problems of entrepreneurship development and offered suggestions of bringing better results. Based on various studies on entrepreneurship development, efforts have been subsequently made to improve the entrepreneurial activities by providing various kinds of provisions and schemes. However, unfortunately, the people have not been able to derive sufficient benefits from the process of planned development and schemes provided by the government. It is also true that entrepreneurship development in the country can not be considered as stereotyped phenomenon as it varies from one region to another. Thus it is very important to study in different parts of the
country through micro level study to gain better understanding of various problems, issues and concerns of entrepreneurship development.

From the review of literature, it is found there are less number of micro level anthropological studies except some studies like Geertz (1967), Firth (1967), Barth (1960), Singer (1967), Epistine (1964), Nafziger (1975), Lynch (1976), etc. Moreover, the anthropological studies in entrepreneurship among the rural and tribal areas are comparatively less, except some studies like Abner Cohen (1969), Pande G.S (1998), Madhusudan Trivedi (1991), etc. The economists and the management Scholars carried out most of the earlier studies on the development of entrepreneurship. Such earlier studies gave less emphasis on the socio-cultural dimensions in their studies. In spite of all, there are also many constraints for development like the lack of proper transport and communication, credit facility, etc.

However, there are very less number of studies on the entrepreneurship in Manipur. It is important to study the development of entrepreneurship since the problems of the development of entrepreneurship vary from one region to another. So, the study tries to understand the nature and functioning of entrepreneurship, the socio-economic profile of entrepreneurs and the social changes taking place due to the development of entrepreneurship in the study villages. Most importantly, the study will try to find out the social and cultural basis like morals, values, ethos, attitudes, and networking in their entrepreneurial activities. The study will also try to examine their social networking and organizational behaviour among themselves, development of entrepreneurs with new entrepreneurial technology and adoptive behavior of entrepreneurs with the emergence of new technology.

**Definition of the Terms Used in the Study**

The term “Entrepreneurship” in the present study refers to the practices and activities started by an individual or a group of people for earning, with the capabilities of adopting or imitating new ideas to the rapid changing situation in the tribal or rural backward areas. The study regarded entrepreneurs as those
who attempted to achieve something by utilizing their vision, drive and talent. However, the degree of these characters may vary from person to person.

For the study, Entrepreneurs are classified into two types:

Traditional Entrepreneurs are those who practice or do activities which are undertaken by a person, a community, a group, etc that have been inherited from their long tradition along with their cultural values, customs, laws etc from generation to generation. The new generation people organise the traditional activities like bamboo crafts making, weaving, piggery, poultry, fire wood and timber selling etc. and make a way of earning from it. These activities are practiced as a secondary source of their livelihood.

Modern Entrepreneurs are those who practice or do activities which introduce modern technologies like rice mill services, van services, tractor services, etc. as a venture in the tribal and rural backward society by adopting or imitating a new way of earning for their livelihood. Such venture may be due to individual's decision or due to the influence of the development programmes, etc by giving proper awareness or trainings. It may also be due to the influence of the family and friends who stay in the cities and towns. Sometimes, these may be an experimental practice by putting the individual's skill and reasoning against the challenging and unusual common opinion.

**Objectives of the Study**

Considering the above points, following are the objective of the study;

1) To study the socio-economic and cultural profile of entrepreneurs;
2) To examine the social and cultural basis of entrepreneurship development;
3) To study the social relationship and organizational behaviour among the entrepreneurs;
4) To examine the functioning of entrepreneurship development programmes in the study area; and
5) To understand the socio-cultural and technological changes resulting from the development of entrepreneurship.
Methodology

The present study was conducted in Manipur. The state has various indigenous and traditional entrepreneurs. They have distinct and traditional way of enterprising and networking for organizing and maintaining themselves. Based on this, Thoubal district was selected for the present study. Within the District, Kakching block has been selected for the study. Entrepreneurial units were scattered un-uniformly among the different leikais (wards) of the study area, Kakching. Personal contact with the help of key informants and other knowledgeable persons helped in identifying the entrepreneurs in the study area. It was found that there were altogether a total of 137 entrepreneurs available in the study area who engaged in different entrepreneurial activities. It was divided into two major entrepreneurial types as per the operational definition for the study like Traditional entrepreneurs and Modern Entrepreneurs. Among the total entrepreneurs, 64 entrepreneurs were engaged with traditional entrepreneurial activities and 73 belong to modern entrepreneurial activities. However, some of the entrepreneurs were engaged in more than one entrepreneurial activity and they are highlighted as a special case in the study.

The present study is based on intensive field work conducted at Kakching. Thus the study is a micro level study. The study adopted both qualitative and quantitative methods for the collection of data. Initially, a pilot survey was carried out over 3 month i.e. January-March 2007 in this area. This was facilitated the designing of the study tools. After this, an intensive field work for a period of 9 (nine) months from September, 2007 to May 2008 was carried out. For the collection of data from the field, various anthropological tools and techniques like entrepreneur’s schedule, case studies, interview, key informants, group discussion, observation, etc were employed. However, secondary sources of information have also been used as and when necessary.

After establishing rapport with the people, it brought an understanding and transparency between the respondents and the researcher regarding the purpose of the study while collecting data from them. Key-informants were
chosen for collecting in-depth knowledge of the entrepreneurs regarding the religious knowledge, morals, values, belief and networking etc. which were directly or indirectly influencing in developing the entrepreneurial activities among the younger generation. This also helped in collecting the primary data regarding the information about the entrepreneur’s habits, attitudes, opinions, social participation, cultural background, ritual activities associated with the entrepreneurial activities etc.

Entrepreneur’s schedule was employed to collect the first-hand primary data from the field areas. This was specially organized with a list of items of information to be filled up by the respondents. By employing this, various categories of data were collected relating to entrepreneurs socio-economic and cultural background of entrepreneurs like age, sex, marital status, education, religion, caste or social class, income, occupations of respondents and their parents, opinions, belief, expectation, social participants, social and economic support system in developing the entrepreneurial activities, etc.

During the study, both participant observation and non-participant observation were employed. This helped in systematic cross-checking of information. Preliminary data from observation provided the insights and clues necessary for developing interview questions, case studies, etc. It provided the further checking and monitoring of field information like attitude towards, the owner and the client, and the master and their workers, marketing networks relating supply of raw materials and products, and other activities involved in the transaction of their entrepreneurial activities that was necessary for evaluating data gathered by the specialized techniques. Careful observations were made from the information collected through clues developed from interview and key informants regarding clear understanding of the life style of entrepreneurs, customs and manners, interpersonal relations, group dynamics, leadership role, managerial role, risk taking behaviour, innovativeness, socio-cultural and technological changes resulting from the development of entrepreneurship, etc. Observation were conducted at their working places or offices for the cross checking of information about the role and the contribution of NGO’s, Voluntary
Organizations, and Government Institutions for entrepreneurship development. It also gave a clear understanding of how the organization and agencies carried out their activities. Most importantly, it helped to identify how potential entrepreneurs were selected. Moreover, the personal or social networking within the entrepreneurs and the official was also be observed.

For the study, unstructured and open-ended interviews were carried out regarding their socio-economic and cultural background, occupational background, social mobility, etc. This was carried out so as to get the in-depth data and majority of them at their working place, either offices or industries or business centers. This provided a good opportunity to observe the entrepreneurs at work, the type of individual management and their interaction with workers and also with other people etc. This was followed up with an open discussion regarding how they perceived the entrepreneurship and to be being an entrepreneur, the kind of ritual functions, religious sacrifices and sentiment that favours or hinders in developing entrepreneurship. This was also opened to common people to bring the true picture of general conception and in-depth information from the field.

An attempt was made to prepare case studies to facilitate the understanding of socio-economic and cultural profile of the entrepreneurs. It helped to collect the holistic and meaningful characteristic of real life events. The case study method was used for exploring and analyzing socio-economic and cultural milieu of entrepreneurs, households and the institutions dealing with entrepreneurial activities. It explored the factors like education, family background, kinship relationships, ritual functions participated by the entrepreneurs, social relationship within the family, relatives and friendships, etc which were influencing in developing the entrepreneurial activities.

Life history method was also employed in order to find out the historical and chronological information of the entrepreneurs while developing the entrepreneurship. The richness and personalized nature of life histories afforded vividness and integration of cultural information that were of great value for understanding particular lifestyle. This life histories material were more useful for
examining the patterning of general values, foci of cultural interests, and perceptions of social and natural relationship than as true histories.

Besides these, FGD (Focus Group Discussion) was also employed for collection of data as per the suitable situations and requirements.

**Significance of the Study**

Although several empirical studies have investigated the basis of entrepreneur in different parts of India, these studies lack the data essential for comparing the origins of entrepreneurs with that of the population as a whole, and for relating socio-economic characteristics of entrepreneurs to their success. The study tried to compare the information on the population at large related to the educational attainment, entrepreneurial and managerial experience, initial capital, access to government assistance and success of the entrepreneur.

**Limitation of the study:**

The study has various limitations.

1) The literature and secondary data pertaining to Manipur State were not sufficiently available. So, the study has to rely more on primary data collected from the field work.

2) The law and order situation, insurgency problem, bandhs and blockade in the study area made the field work difficult while conducting field work.

3) Collecting Information relating to investment, loans, sales, profits, etc. were the main hurdle during the field work as the entrepreneurs were afraid of extortion by the insurgents if they happens to know their growth in entrepreneurial activities.
Chapterisation

The thesis has been organized into 7 (Seven) chapters.

The first chapter gives an introduction about the topic. Along with it, the chapter also discusses about the review of available literature, statement of the problem, methodology employed in the study, limitation of the study, and organization of chapters.

The second chapter discusses briefly about the historical background of the development of entrepreneurship in the region at different periods, local terms of entrepreneurship, about the origin of money and market, etc. It also discusses about the different entrepreneurial activities existing in the study area.

Third chapter discusses about the study village and also discusses about the socio-economic and other factors of the entrepreneurs in developing their entrepreneurial activities like the family background, age group, year of establishing the entrepreneurial activities, type of support system, etc. A brief out-line of Thoubal district and the study area, Kakching, are also discussed in this chapter.

Fourth chapter highlights different social relationship and organizational behaviours among entrepreneurs in the area. It also discusses the uniqueness of relationship between Kakching people and outsiders, migration of people, forms of organization among the entrepreneurs, channel of distribution of their products, contribution of family, friends and relatives in developing the entrepreneurial activities.

Fifth Chapter deals with the suitability and adaptability of the entrepreneurship development programmes, awareness camps organized by the Central Government, State Government, Financial institutes, NGOs, Voluntary Organisations, etc. It also highlights the role or training institutes in the region and the facilities or incentives given by different supportive institutes in developing the entrepreneurial activities in the study area. It also gives the picture about the problems faced by the entrepreneurs in pursuing training programmes, obtaining loans, etc and the communication gap between the entrepreneurs and the government officials.
Sixth Chapter outlines the socio-cultural, technological changes in entrepreneurship development and the changing attitude towards unemployment due to entrepreneurship development in the region. It shows the technological transformation of rural entrepreneurship, commercialization of improved technologies, barriers of commercialization, effective design and diffusion of rural technologies, mechanization of traditional entrepreneurial activities, changing social relationships, relationship with the surrounding villages, etc.

The last chapter summarizes the dissertation and offers conclusion reached on the overall picture of the study.